(b) Discussions are at preliminary stage. A feasibility report by BHP Billiton is an input in the discussions.

(c) Yes, Sir. This was followed by technical discussions in Delhi on 14-15 February, which are to be resumed in Tehran on 5 March.

(d) The import of natural gas by pipeline from well-endowed sources to the West and East of India are indispensable to ensuring the nation's energy security. Abdundant gas availability will significantly trigger maximum investment in industrialization and electrification, and is, therefore, essential to our attaining and sustaining the targeted growth rate in GDP of 7%-8% per annum.

Gas Pipeline Policy

102. SHRI LALITBHAI MEHTA:
SHRIMATI SAVITA SHARDA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the salient features of a new Gas Pipeline Policy to put up a National Gas Grid;

(b) whether the representation to have a two-tier regulatory structure has been received from the State Government of Gujarat;

(c) whether Government are agreeable to leave transmission part to a State level regulator exclusively; and

(d) by when, the new Gas Pipeline Policy shall be finalized?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) The salient features of the proposed Policy are as follows:—

1. All the natural gas pipelines will be laid in accordance with the Authorization granted by the Regulator, under a transparent mechanism.

2. Regulator shall develop a comprehensive set of technical standards and safety standard as well as a code for grid connectivity.

3. Progressive unbundling of transmission activity.

4. Authorization to the proposer may be cancelled with forfeiture of his security deposit, if the conditions of the authorization are not adhered to or the project is delayed beyond the stipulated milestone(s).

5. The designed pipeline capacity to be at least 25% percent more than the maximum capacity requirement of the proposer and all those who tie up for capacity. Such capacity would be made available on 'open access basis' at transportation rates not more than the ceiling rate approved by the regulator.

6. A National Advisory Council (NAC) shall be constituted by Government to advise the Government and the Regulator on all matters relating to this Policy.

7. The pipelines will be used by all players on non-discriminatory basis.

8. Tariff for the transmission pipeline and/or for the distribution pipelines would be approved by the Regulator as a ceiling.

9. Government to prepare a 10 year perspective plan in consultation with State Government to be revised from time to time. The Plan will be kept in mind while approving new pipelines.

(b) Yes, Sir.

(c) No, Sir.

(d) No time frame has been fixed for this purpose.

Allocation of Natural Gas to Gujarat

103. SHRI LALITBHAI MEHTA:
SHRIMATI SAVITA SHARDA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether any decision has been taken to allocate 3.65 MMSCMD of Natural Gas for Power Projects to Gujarat will reference to a letter addressed to him on 15th December, 2004 by Gujarat MPs;

(b) if not, the reasons therefor;

(c) the production of natural gas in the country during the last five years from 1999-2000 to 2003-2004;

(d) the allocation of natural gas made to Gujarat during the last five years from 1999-2000 to 2003-2004; and

(e) whether it is a fact that 0.4 MMSCMD of additional gas allocation was promised in 2002, but has not been supplied till date?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) No, Sir. For gas supplied under Administered Price Mechanism (APM), the allocation far exceeds the availability of gas both from onshore as well as offshore sources in Gujarat. Thus, as against gas allocations from onshore fields in Gujarat of the order of 11.34 Million Standard Cubic Meters Per Day (MMSCMD), actual gas availability is no more than around 4 MMSCMD. And as against gas allocations from offshore sources of the order of 49.33 MMSCMD, which includes 13.33 MMSCMD to consumers located in Gujarat, actual availability is restricted to around 37.5 MMSCMD, necessitating cuts in supplies. Additional gas from JV fields of Tapti offshore and Liquefied Natural Gas (LNG) may be available in future at market related price for which the customers have to directly tie up with the suppliers of gas.

(c) The production of natural gas from 1999-2000 to 2003-2004:

Year	Production in Billion Cubic Metre (BCM)
1999-2000	28.45
2000-2001	29.48
2001-2002	29.71
2002-2003	31.39
2003-2004	31.95

(d) Allocations/contracts for 2.46 MMSCMD of gas were made to various customers in Gujarat during the last five years from 1999-2000 to 2003-04.